



Obama Administration Launches \$130 Million Building Energy Efficiency Effort

Will Create Jobs and Lower Utility Bills through Innovative Technology

Washington, D.C. – The Obama Administration today announced a multi-agency initiative to spur regional economic growth while making buildings more energy efficient. Seven federal agencies today issued a combined Funding Opportunity Announcement of up to \$129.7 million over five years to create a regional research center that will develop new building efficiency technologies and work with local partners to implement the technologies in area buildings.

Buildings account for nearly 40 percent of U.S. energy consumption and carbon emissions. Improvements in building efficiency will provide significant benefits – reducing energy use, lowering utility bills and decreasing carbon emissions.

The agencies are working together to leverage funding and resources to promote regional growth through an Energy Regional Innovation Cluster (E-RIC) that is centered around an Energy Innovation Hub focused on developing new technologies to improve the design of energy-efficient building systems. This Energy Innovation Hub, one of three proposed by the Administration and funded by Congress in the FY10 budget, will bring together a multidisciplinary team of researchers, ideally working under one roof, to conduct research and work to solve priority technology challenges that span work from basic research to engineering development to commercialization readiness.

The E-RIC will work to disseminate new technologies into the local marketplace and share best practices with the public and private sectors. It will be supported through agency investments in technology and business development, and will include support for workforce education and training. By linking researchers at the Hub with local businesses and supporting specialized workforce education and training in the area, the initiative will create an economically dynamic region focused on building efficiency technologies.

“This unique partnership will not only advance the development of new, energy efficient technologies, it will help local governments, businesses, and homeowners save money on their utility bills by putting the technology to work,” said U.S. Secretary of Energy Steven Chu. “Energy efficient buildings represent one of our best and most immediate opportunities to create jobs, save money and cut carbon pollution.”



“President Obama is working every day to put Americans back to work, create good jobs, and strengthen our economy for the long-term,” Commerce Secretary Gary Locke said. “By leveraging resources across the federal government and building on regional strengths, we’ll improve business opportunities, enhance our nation’s global economic competitiveness and create sustainable, 21st century jobs.”

"The Department of Labor will engage local and regional networks of Workforce Investment Boards and One-Stop Career centers to ensure that workers reap the maximum benefit from this initiative," said Secretary of Labor Hilda L. Solis. "This alignment of federal agency resources will allow us to have an even greater positive impact along the full economic spectrum. It will also help reduce the energy costs of buildings while spurring the creation of new jobs in green and energy efficient industries."

"Regional innovation clusters create jobs and increase our global competitiveness. Through the Energy RIC, the SBA will help entrepreneurs and small business owners take the best research and commercialize it to grow the 'green building' industry into an economic powerhouse that will put people to work, save consumers money and help our environment," said U.S. Small Business Administrator Karen Mills.

The E-RIC chosen under the funding opportunity will be based at a university, DOE national laboratory, nonprofit organization, or private firm, partnering closely with local or state government officials, and leveraging existing expertise of local architects, builders, and manufacturers. With this specialization, the regional economy could support other businesses that address the full production lifecycle for building technologies and thus create more jobs. Training and education can help narrow the gap between the supply and demand for workers in these specialized fields.

This effort will leverage the collective resources and expertise of seven federal agencies. The Department of Energy is providing up to \$22 million for this project in the first year, with up to \$100 million over the next four years. To encourage regional cooperation, the Department of Commerce’s (DOC) Economic Development Administration will make available up to \$3 million in Public Works and Economic Development funds and up to \$2 million in Economic Adjustment Assistance funds for the winning Proposal. The DOC Manufacturing Extension Partnership will make available up to \$500,000 for a one-year award, with the possibility of renewal for up to two additional years, to support the services of an existing DOC-funded MEP Center. The U.S. Small Business



Administration (SBA) will make up to \$300,000 in the first year, with three one-year options for renewal grants up to \$300,000 per year, available to provide the services of an existing SBA-funded Small Business Development Center to the Regional Innovation Cluster.

Current National Science Foundation (NSF) award recipients who are also co-applicants or ERIC partners of the winning consortium will be able to apply for supplemental funding from NSF through existing programs, particularly those designed for the training of students who will be the future leaders in sustainable energy. The Department of Labor (DOL) will support linkages between E-ERIC funding and existing Workforce Investment Act (WIA) and grant-funded programs to help develop the skilled workforce needed for the cluster to grow and prosper. The Department of Energy will provide technical assistance as appropriate to help E-ERIC partners determine how to facilitate the Consortium's objectives through the allowable use of funds under the E-ERIC partners' existing formula grants or subgrants.

The Funding Opportunity Announcement and more information can be found at: <http://hubs.energy.gov/eric.htm>.

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